

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING
1594 West North Temple - Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801
Telephone: (801) 538-5291
Fax: (801) 359-3940

SMALL MINING OPERATIONS 2006 PROGRESS REPORT
January 1, 2007 to December 31, 2007

The information required in this form are based on provisions of the Mined Land Reclamation Act, Title 40-8, and the rules as under the Utah Minerals Regulatory Program.

1. Mine Permit Number: 5010063
2. Mine Name: Sandy Wash
3. Name of Operator/Permittee: Sandy Nell
Note: If Operator's address, company representative or phone number have changed, please provide a replacement page to the Notice of Intention.
4. Mine Location: BLAWN MNT, BEAVER COUNTY SEC 30 T 29S R 15W
5. Report the gross amount of ore mined and waste moved, as well as the arrangement, positioning, or distribution of the material:
Gross Ore Mined 60,000 Tons, or yd³
Waste Material Moved 0 Tons, or yd³
New Disturbance 0 Acres during 2006
Area Reclaimed 0 Acres during 2006
Total Disturbed Area 5 Acres*
Was the ore shipped off site? If not, where is the ore located? yes

Where is the waste located? NO WASTE

*Total life of mine disturbance to the end of 2006.

6. Briefly describe the reclamation work performed during the past year. A map showing reclaimed areas and dates is suggested. (Submit form MR-SITE for an application for full or partial bond/site release).

I hereby certify, under penalties of law, the information provided in this report is true and correct to the best of my knowledge and belief.

Name (Typed or Print): SANDY NELL

Title of Operator: PRESIDENT

Signature of Operator: Sandy Nell

Date: 1-24-08

RECEIVED

JAN 31 2008

DIV. OF OIL, GAS & MINING